



5. According to data obtained from CMI's own testing, basic model 30300150 operates at an energy efficiency level of 99.22%, less than the minimum efficiency level required for its kVA rating as described in 10 C.F.R. § 431.196(b) for units of this basic model manufactured on or after January 1, 2010.
6. According to data obtained from CMI's own testing, basic model 32500095 operates at an energy efficiency level of 99.48%, less than the minimum efficiency level required for its kVA rating as described in 10 C.F.R. § 431.196(b) for units of this basic model manufactured on or after January 1, 2010.
7. A manufacturer's distribution in U.S. commerce of basic models of liquid-immersed distribution transformers that do not comply with the energy conservation standards found in 10 C.F.R. § 431.196(b) constitutes prohibited acts pursuant to 10 C.F.R. § 429.102(a)(6) and is subject to civil penalties as described in 10 C.F.R. § 429.120.

**The following information is provided in question and answer format to help explain your legal obligations and options.**

*What do I do now?*

DOE is offering a settlement of **\$2,500** if you submit the signed compromise agreement and pay the fine within thirty (30) days of the date of an Adopting Order adopting the compromise agreement.

You have other options as described below.

*What are my other options?*

Within thirty (30) calendar days, you must select Option 1 or Option 2 below if you do **not** agree to DOE's settlement offer.

Option 1: You may elect to have DOE issue an order assessing a civil penalty. Failure to pay the assessed penalty within sixty (60) calendar days of the order assessing such penalty will result in referral of the case to a U.S. District Court for an order affirming the assessment of the civil penalty. The District Court has the authority to review the law and the facts de novo.

Option 2: You may elect to have DOE refer this matter to an Administrative Law Judge (ALJ) for an agency hearing on the record. Upon a finding of violation by the ALJ, DOE will issue an order assessing a civil penalty. This order may be appealed to the appropriate U.S. Court of Appeals.

*When must I respond?*

You must submit a signed compromise agreement within thirty (30) calendar days of the date of this notice to pay the lowest fine. If you do not wish to settle AND you wish to choose Option 1 as described above, you must notify DOE within thirty (30) calendar days of the date you received this notice of your selection of Option 1. Otherwise, if you do not settle the case, DOE will refer to the case to an ALJ as described in Option 2.

*How should I submit my response?*

To assure timely receipt, DOE strongly encourages you to submit your response by e-mail, fax, or an express delivery service. DOE accepts scanned images of signed documents (such as PDFs). Responses may be sent by any of the following methods:

By email to: douglas.rawald@hq.doe.gov  
By fax to: (202) 287-6998  
By mail to: Douglas Rawald  
U.S. Department of Energy  
Office of the General Counsel (GC-32)  
1000 Independence Ave., SW  
Washington, DC 20585

*What happens if I fail to respond?*

If you fail to respond within thirty (30) calendar days after receiving this notice, or by the time of any extension granted by DOE, DOE will refer the case to an ALJ for a full administrative hearing.

*What should I include in my response?*

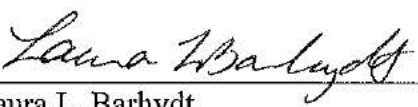
- 1) If you wish to accept DOE's settlement offer, you should submit the signed compromise agreement. If you do not wish to accept DOE's settlement offer, you should specify if you wish to elect Option 1; otherwise, DOE will proceed with Option 2, as described above.
- 2) Provide your Taxpayer Identification Number (TIN). The Debt Collection Improvement Act (DCIA) requires all Federal agencies to obtain the TIN in any case which may give rise to a debt to the government.

*How did you calculate the maximum possible assessment?*

Federal law sets a maximum civil penalty for each unit of a covered product that does not meet an applicable energy or water conservation standard that is distributed in commerce in the U.S. in violation of 10 C.F.R. § 429.102(a)(6). The maximum penalty, as described in 10 C.F.R. at § 429.120, is \$200 per unit.

If you have any questions, please contact Doug Rawald via phone at (202) 586-6734 or email at douglas.rawald@hq.doe.gov.

Issued by:

  
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Laura L. Barhydt  
Assistant General Counsel for  
Enforcement